



## CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

### **Conifex Announces Closing of \$130 Million Secured Revolving Credit Facility**

January 9, 2017, Vancouver, B.C. - Conifex Timber Inc. ("**Conifex**") (TSX: CFF) announced today that it has completed its previously announced \$130 million secured revolving credit facility (the "**Facility**") with a syndicate of institutional lenders arranged and led by Wells Fargo Capital Finance Corporation Canada. The Facility is available for a term of 5 years and is secured by substantially all of Conifex's assets (other than its bioenergy segment assets). The Facility will bear interest at CDOR or LIBOR plus a margin of between 2.5% and 3.0%, depending upon Conifex's leverage ratio.

Conifex intends to utilize the Facility to modernize and re-start its currently idled sawmill complex in El Dorado, Arkansas (the "**Project**"). The Project involves significant capital upgrades, and is designed to maximize both log recovery and lumber grade yield and quality. Upon completion, the El Dorado mill is expected to have approximately 180 million board feet of annual lumber capacity on a two-shift basis. Conifex expects to promptly commence the Project, which it expects to complete by or about the end of the third quarter or early in the fourth quarter of this year.

Conifex currently estimates that the Project will require capital expenditures of approximately US\$50 million, consisting of approximately US\$27 million for equipment and materials, US\$16 million in subcontract costs and US\$7 million for indirect costs, including engineering, construction management, freight and project contingency.

A portion of the Facility is also being used to repay in full Conifex's existing revolving credit facilities and senior notes.

For further information, please contact:

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#### **About Conifex Timber Inc.**

Conifex and its subsidiaries' primary business currently includes timber harvesting, reforestation, forest management, sawmilling logs into lumber and wood chips, and value added lumber finishing and distribution. Conifex's lumber products are sold in the United States, Chinese, Canadian and Japanese markets. Conifex has expanded its operations to include bioenergy production following the commencement of commercial operations of its power generation facility at Mackenzie, British Columbia.

#### **Forward-Looking Statements**

Certain statements in this news release may constitute "forward-looking statements". Forward-looking statements are statements that address or discuss activities, events or developments that Conifex expects or anticipates may occur in the future. When used in this news release, words such as "estimates", "expects", "plans", "anticipates", "projects", "will", "believes", "intends" "should", "could", "may" and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements reflect the current expectations and beliefs of

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Conifex's management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of Conifex and its industry may be materially different from those implied by such forward-looking statements. Examples of such forward-looking information that may be contained in this news release include statements regarding the terms, amount and ability of Conifex to complete the Credit Facility. Assumptions underlying Conifex's expectations regarding forward-looking information contained in this news release include, among others, that Conifex will successfully negotiate and execute definitive documentation and complete the Credit Facility and that final lenders' approval will be obtained. Forward-looking statements involve significant uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, without limitation, that Conifex will be unable to receive approvals required for the Credit Facility; that the Credit Facility will not be completed in the expected timeframe or at all; that the final terms of the Credit Facility may differ from those currently anticipated; and other risk factors described in Conifex 2015 annual information form, available on SEDAR at [www.sedar.com](http://www.sedar.com). These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and Conifex undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.